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Communist China - USSR: The Sino-Soviet border talks remain deadlocked after seven weeks of negotiations.

the Chinese have insisted that heavy military units of each side withdraw 100 kilometers from tense border areas. The initial Chinese negotiating package also includes proposals for a Sino-Soviet commission to oversee such a withdrawal and for the removal of all Soviet forces from Mongolia.

Peking obviously realizes that Moscow has no intention of diluting its military advantage by taking such drastic steps. Nevertheless, the Chinese have made it clear, both publicly and privately, that some form of preliminary agreement on a military stand-down and disengagement along the frontier is required before further progress can be made. This problem has apparently remained the major roadblock to progress at the talks.

Moscow probably feels that the Chinese would be less willing to negotiate seriously if troops are removed. The apparent absence of any military clashes since the talks began suggests that some sort of tacit agreement to avoid provocative activity already exists. Moscow may think that this is sufficient for negotiating purposes and that any larger withdrawal would only benefit the Chinese, who have far fewer forces in immediate border areas.

Meanwhile, the impasse has been reflected in a marked increase in Peking's anti-Soviet propaganda. Using the celebration of Albania's 25th national day as the vehicle, the Chinese, together with their Albanian comrades, have weighed in heavily against Soviet "aggressive ambitions" and "counterrevolutionary" collusion with the US. Despite the self-serving nature of this line, it appears to reflect

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a genuine Chinese belief that Moscow is attempting to use military pressure to force a new "unequal" settlement on Peking.

Moscow may also be ready for a direct resumption of polemics with Peking. A Radio Moscow commentary on 2 December condemned "modern adventurists" who generate "war frenzies" while opposing efforts to ease international tensions.

Despite these clear signs that the border talks are deadlocked, Peking and Moscow seem to have little to gain by breaking off the discussions. Both are probably prepared for a protracted stalemate.

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Communist China - Albania: Peking has underscored its economic support of Tirana.

In a speech on 30 November, Li Hsien-nien, leader of the Chinese delegation now in Albania to observe the country's 25th anniversary celebration, emphasized Albanian economic progress. The flavor of his speech, together with the composition of the delegation, suggests that Peking will move ahead vigorously with projected economic assistance.

Under an agreement signed last year, covering the 1969-1975 period, China is providing machinery and equipment, including whole plants, for Albanian steel, chemical, petroleum, electric power, and nonferrous metals industries. Although the amount of aid was not announced, it is believed to represent a significant increase over past deliveries which have totaled an estimated \$280 million since 1955.

Since the drying up of significant aid from the USSR and other East European countries in 1960, Albania has depended on Peking for its extensive economic needs. Although Tirana has recently demonstrated an interest in buying more free world industrial goods, its limited hard currency earnings and unwillingness to accept Western credits will preclude the West as a significant source of supply.

Moscow Summit: Yesterday's communiqué ending the meeting of the USSR and its East European allies touched only lightly on European security, but apparently put the seal on bloc policy toward the new West German Government.

The statement is the first the socialist states have made jointly on the subject of the new government in Bonn. As such, it confirms that a consensus has emerged in the bloc that the Brandt government is off to a good start, but that continued "realistic" actions will be necessary before Moscow and its allies are totally convinced. statement will be received by Bonn as encouragement to go forward with its new Eastern policy.

For the East Germans, the communiqué represents a political setback. Pankow probably wished to use the summit meeting to persuade or press its allies to delay bilateral negotiations with Bonn. Most of the participants probably opposed Pankow at the meeting, and the communiqué indicates that the East Germans were indeed rebuffed. It contains only a vaquely worded call for other states to recognize East Germany and does not insist that Bonn must do this as a precondition for talking with the other East European states.

Remarks on the Warsaw Pact proposal for a European security conference were limited to a claim that international support for the idea was growing. The statement also contained ritualistic references to peaceful coexistence and the need for more signatures on the nuclear nonproliferation treaty. It raised the call for general and complete disarmament, but did not mention the arms limitation talks in Helsinki nor make any proposals for arms control in Europe.

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	delegates, in a separate statement,	
	all-out support to the Communists i	
	US was blamed for the lack of progr	
	in Paris and was linked with "the k	rutal
massacres	of South Vietnamese civilians."	_
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USSR - Middle East: In a recent conversation
Soviet Deputy Foreign
Minister Vinogradov expressed his candid views on
Arabs and the Middle East.

Vinogradov, who is in charge of Near Eastern affairs, complained that his is one of the toughest jobs in the Foreign Ministry and is wanted by no one. He said he finds the job particularly difficult because he has no experience in the area, and it is hard for him to understand the Arab mentality. Vinogradov agreed that Nasir had miscalculated in provoking war in 1967, but added wryly that "blunder" was a more apt description.

In a more substantive vein, the deputy minister insisted that Israel stop demanding direct negotiations, which he said the Arabs "will not and can not" accept. He asserted several times that the Israelis face their last chance to make peace and that if they fail to do so, they will eventually be forced to leave the Middle East. Vinogradov also denied knowledge of a high-level Egyptian delegation due in Moscow to discuss the latest US proposals and the upcoming Arab Summit. Nevertheless, there are other reports that the Soviets will receive the Egyptian delegation soon.

Vinogradov's complaints have the ring of sincerity. Undoubtedly, dealing with the Arabs is often a trying experience for the Russians. Although Vinogradov exaggerates the danger to Israel, his view that the Arabs will not negotiate face to face with the Israelis is probably accurate.

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USSR - West Germany: Moscow has concluded a 20-year agreement with a West German firm for the delivery of natural gas to Bavaria.

contract will be signed in January 1970. Soviet deliveries of gas are to begin late in 1973, via a pipeline through Czechoslovakia. The USSR will deliver 500 million cubic meters per year, increasing to a maximum level of 3 billion cubic meters annually after 1978. Soviet gas delivered to the German border would be cheaper than gas that could be supplied by the Dutch to Bavaria where the Soviet gas is to be consumed.

The sale of gas will provide the USSR with funds to purchase critically needed large diameter pipe to expand its long-distance oil and gas pipeline networks. Soviet purchases of West German pipe are expected to total some \$300 million to \$400 million, thus assuring a high level of production at West German pipe mills for many years.

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Czechoslovakia: The Husak leadership's increasingly repressive cultural policies suggest that it is now prepared to go even further than former orthodox party boss Novotny to control Czechoslovak intellectuals.

The regime, having muffled the mass media, is now focusing its attention on harnessing recalcitrant cultural unions and individual dissidents within them. The government recently announced that it will exercise greater control over the unions by close supervision of their funds and restrictions on their publishing activities and contacts with Western counterparts. It also intends to bypass the unions and deal directly with individual artists. The unions are important because they administer pay and benefits for their members.

On 3 December, a regime spokesman, citing continued dissent within the Czech writers' union and the motion picture and television artists' association, warned that these unions now are facing expulsion from the Communist-controlled National Front. Organizations dropped from the front become "illegal" and are automatically disbanded. The same official, according to a Western press service, emphasized that some artists are "provoking administrative measures" --clearly implying that punitive action may be forthcoming against outspoken intellectuals.

Italy: The Italian Communist Party's "indefinite suspension" of a group of dissidents last week was a victory for pro-Soviet members and a response to Soviet pressure.

The dissidents, noted for criticizing domestic and international Communist leadership, last June founded a "new left" monthly, Il Manifesto. Some party leaders at first pointed to the existence of dissent as proof of the PCI's new progressive nature and suitability as a possible government partner; however, Giorgio Amendola, who led the party faction supporting the USSR after the Czechoslovak intervention, pressed hard for expulsion of the dissidents. Discussion of the problem in all the party's federations this fall developed fairly wide support for Amendola's position.

The Soviet Communist Party exerted pressure

for disciplinary action directly on		
party's high command and indirectly	through members	
long faithful to Soviet direction		25X1
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The dissidents, who have some 1	abor support,	
refused a compromise which Secretary	General Longo	
offered prior to the party action.		
to continue publishing and are think		
a student - young worker movement.	<u> </u>	
a student young worker movement.	1	25X1

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UN-SALT: The Soviets at the UN have received instructions to oppose the Mexican draft resolution on disarmament.

Mexico would have the General Assembly call upon the superpowers at the Helsinki talks to agree on a moratorium on further testing and deployment of any offensive and defensive strategic weapon systems not presently operational.

The US and the USSR delegates approached the chief Mexican disarmament expert who replied that the 12 co-sponsors "would never agree" to withdraw the draft resolution. He did, however, seem impressed by the Soviet and similar US objections

To counter the Mexicans, the Dutch have drafted but not yet presented their alternative text that would call on all nuclear weapons states merely to refrain from actions prejudicial to the success of SALT.

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NOTES

USSR-Romania: Romanian Defense Minister Ionita will lead a Romanian military delegation to the USSR in the first half of December, according to a TASS announcement. The announcement said only that the Romanians would make an "official friendship visit" at the invitation of Soviet Defense Minister Grechko. The visit may be designed to clear up details of Warsaw Pact activities for 1970 left unsettled by the November planning session. It could be, however, that the Soviets intend to press Bucharest again on the question of intensifying Romanian military cooperation with the Pact.

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Nepal-USSR: Nepalese Prime Minister Bista is expected to seek Soviet economic assistance for Kathmandu's next five-year plan during his visit to Moscow later this month. Bista probably will request Soviet aid for road construction, light industrial projects, and oil exploration. Kathmandu has used most of the \$21 million in commodity and project assistance previously extended by Moscow. The only current Soviet project in Nepal is the construction of the Simar-Janakpur section of the east-west high-way which traverses the country.

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UN-USSR: The Western group feels that some kind of resolution on "strengthening international security" is inevitable at the current session of the General Assembly. The Latin American group may decide to seek a slight revision of the latest Indian draft resolution. The Indian text utilizes most of the themes outlined by Soviet Foreign Minister Gromyko when he announced the "international security" proposal last September, and would provide a substantive outcome. The Western group is continuing to work for a statement by the committee chairman summing up the debate; it has also drafted on a contingency basis a resolution aimed at a merely procedural disposition of the topic.

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NATIONAL INTELLIGENCE ESTIMATE

The United States Intelligence Board on 4 December 1969 approved the following national intelligence estimate:

NIE 20-1-69 "Europe, The US, and The USSR".



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